

STATEMENT OF THE CASE

Stephens moves the Commission to consolidate the above styled and numbered cause with the following causes also filed by Stephens, and which applications request modification of pooling orders for change of operator:

Cause CD No.	Modification of Pooling Order No. and Legal Description
1. 201500645	589581 - Section 29-T17N-R3W, Logan Co.
2. 201500646	591874 - Section 36-T19N-R4W, Logan Co.
3. 201500647	599650 - Section 18-T18N-R3W, Logan Co.
4. 201500648	601972 - Section 1-T18N-R4W, Logan Co.
5. 201500649	603839 - Section 28-T17N-R3W, Logan Co.
6. 201500650	604345 - SW/4 SW/4 & W/2 SW/4 & SW/4 & All of Section 19-T18N-R3W, Logan Co.
7. 201500651	604350 - Section 26-T17N-R3W, Logan Co.
8. 201500652	604651 - Section 8-T17N-R3W, Logan Co.
9. 201500653	605073 - Section 25-T17N-R3W, Logan Co.
10. 201500654	605440 - Section 15-T17N-R3W, Logan Co.
11. 201500655	606030 - Section 15 -T19N-R4W, Logan Co.
12. 201500656	606174 - Section 21-T17N-R3W, Logan Co.
13. 201500657	607352 - Section 6-T17N-R3W, Logan Co.
14. 201500658	608451 - Section 20-T17N-R3W, Logan Co.
15. 201500659	608874 - Section 16-T19N-R4W, Logan Co.
16. 201500660	609473 - Section 12-T17N-R4W, Logan Co.
17. 201500661	609761 - Section 13-T18N-R4W, Logan Co.
18. 201500662	610165 - Section 24-T17N-R3W, Logan Co.
19. 201500663	610166 - Section 6-T17N-R3W, Logan Co.
20. 201500664	610461 - Section 19-T17N-R3W, Logan Co.
21. 201500665	610896 - Section 9-T17N-R3W, Logan Co.
22. 201500666	610899 - Section 2-T18N-R4W, Logan Co.
23. 201500667	610907 - Section 36-T17N-R3W, Logan Co.
24. 201500668	611078 - Section 27-T17N-R3W, Logan Co.
25. 201500669	611887 - Section 14-T17N-R3W, Logan Co.
26. 201500670	613527 - Section 30-T18N-R3 W, Logan Co.
27. 201500671	614083 - Section 34-T19N-R4W, Logan Co.
28. 201500672	614616 - Section 30-T17N-R2W, Logan Co.
29. 201500673	614655 - Section 35-T19N-R4W, Logan Co.
30. 201500674	614740 - Section 24-T17N-R4W, Logan Co.
31. 201500675	615003 - Section 12-T18N-R4W, Logan Co.
32. 201500676	616447 - Section 22-T17N-R3W, Logan Co.
33. 201500677	616689, Extended by 631391 Section 9-T19N-R4W, Logan Co.

34. 201500678 616940, Extended by 631390 Section 18-T17N-R3W, Logan Co.
35. 201500679 619756 - Section 4-T16N-R3W, Logan Co.
36. 201500680 620017 - Section 10-T19N-R4W, Logan Co.
37. 201500681 620313 - Section 36-T18N-R4W, Logan Co.
38. 201500682 620649 - Section 10-T17N-R4W, Logan Co.
39. 201500683 621530 - Section 22-T18N-R4W, Logan Co.
40. 201500684 622983 - Section 8-T16N-R3W, Logan Co.
41. 201500685 623418 - Section 6-T16N-R3W, Logan Co.
42. 201500686 625135 - Section 10-T17N-R4W, Logan Co.
43. 201500687 627801 - Section 36-T17N-R4W, Logan Co.
44. 201500688 632729 - Section 36-T17N-R3W, Logan Co.
45. 201500689 624947 - Section 22-T20N-R3W, Garfield
46. 201500434 621910 - Section 21-T19N-R4W, Logan Co.

In support of the Motion to Consolidate, Stephens alleges and states:

- 1). That Stephens is the applicant in each of the listed causes;
- 2) That all of the pooling orders designate Slawson Exploration Company as operator, that Stephens purchased the interest of Slawson in each of the units and existing wells, and Stephens is asking to be named successor operator;
- 3) That witnesses testifying will be the same in each cause, and in the interests of judicial economy and consistency of decisions, said causes should be consolidated for hearing.

Three of these cases, CD 201500669, CD 201500683 and CD 201500684 will be dismissed by Stephens because the orders have expired as the wells haven't been drilled and therefore no need to change operator. Another 16 cases will be dismissed by Stephens as Osage owns no interest in the land involved in these cases. Therefore, only cases pertaining to this Motion to Consolidate will remain.

Stephens hereby requests that this Commission issue an order consolidating the captioned cause with the causes listed above.

REPORT OF THE ADMINISTRATIVE LAW JUDGE

- 1) **ALJ Paul E. Porter** recommended denying Stephens' Motion to Consolidate.

2) After listening to the arguments of counsel, it was the ALJ's decision that Stephens' Motion to Consolidate should be denied as the ALJ believed there were outstanding issues that have to be resolved in federal court before the Commission can make any sort of a successful inquiry. In addition, 46 or 47 cases that would either be heard together with considerable testimony or independently over a very long period of time would be a waste of judicial economy to have all of these hearings before any knowledge of these private agreements that could determine everything.

3) In addition, there is different ownership in each case. It is not judicious economy to put all these resources in determining who should be the operator.

DECISION OF THE OIL & GAS APPELLATE REFEREE

1) OCC-OAC 165:5-9-5(d) provides:

The Commission or Administrative Law Judge may consolidate two or more causes for hearing where such action would be just.

2) 12 O.S. Section 2018 provides in relevant part:

C. CONSOLIDATION. When actions involving a common question of law or fact are pending before the court, it may order a joint hearing or trial of any or all the matters in issue in the actions; it may order all the actions consolidated; and it may make such orders concerning proceedings therein as may tend to avoid unnecessary costs or delay.

D. SEPARATE TRIALS. The court, in furtherance of convenience or to avoid prejudice, or when separate trials will be conducive to expedition and economy, may order a separate trial of any claim, cross-claim, counterclaim, or third-party claim, or of any separate issue or of any number of claims, cross-claims, counterclaims, third-party claims, or issues, always preserving inviolate the right of trial by jury.

3) Due to the differences in ownership in these cases, an ALJ would have to sort out in his mind 27 cases and make findings concerning ownership in each case. All of these 27 cases can be heard in three or four weeks. Combining 27 cases with differences in ownership is not just.

4) The ownership issues in each case are different and would have to be addressed separately. Thus, the granting of the Motion to Consolidate these approximate 27 cases would not serve judicial economy as the same evidence

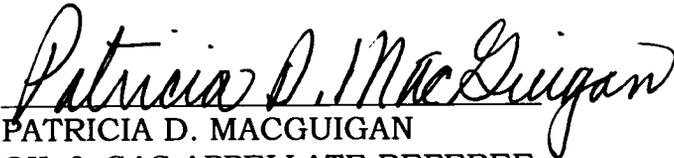
would not be heard and would not lead to a more reasoned decision in the three cases. See *Liberty Nat. Bank and Trust Co. of Oklahoma City v. Garcia*, 776 P.2d 1265 (Okl. 1989); *Gettler v. Cities Service Co.*, 739 P.2d 515 (Okl. 1987); *Christian v. Gray*, 65 P.3d 591 (Okl. 2003); and *Patel v. OMH Medical Center, Inc.*, 987 P.2d 1185 (Okl. 1999).

5) Joinder of parties and of causes of action is not compulsory even where there are common issues of fact or law. *Independent School Dist. 1-29 v. Crawford*, 688 P.2d 1291 (Okl.1984). The statute governing joinder of claims is permissive in nature and does not alter the preexisting common law that governs the trial court's discretionary power over consolidation requests. The consolidation of claims for trial is neither mandatory nor a matter of right. *State v. One Thousand Two Hundred Sixty-Seven Dollars*, 131 P.3d 116 (Okl. 2006).

6) An appellant must show a clear abuse of discretion by the trial court, as to the consolidation or separation, for trial, of claims, cross-claims, counter claims, or third-party claims. *Thomas v. E-Z Mart Stores, Inc.*, 102 P.3d 133 (Okl. 2004).

7) For the above stated reasons and since there are differences in ownership interests in each case, the Referee finds that the ALJ's recommendation to deny Stephens' Motion to Consolidate should be affirmed.

RESPECTFULLY SUBMITTED THIS 10th day of June, 2015.


 PATRICIA D. MACGUIGAN
 OIL & GAS APPELLATE REFEREE

PM:ac

xc: Commissioner Anthony
 Commissioner Murphy
 Commissioner Hiatt
 James L. Myles
 ALJ Paul Porter
 Gregory L. Mahaffey
 David E. Pepper
 Michael R. Perri
 Michael L. Decker, OAP Director
 Oil Law Records
 Court Clerks - 1
 Commission Files